to (c) The package for revival of IDPL approved by BIFR on 10.2.1994 was implemented w.e.f. 1.4.1994. The same had, however, failed in the first year of its operation as IDPL could not achieve the targetted levels of production, sales and profitability in the year 1994-95. IDPL management thereafter proposed the modifications in the revival package. The modified package as proposed by IDPL was referred to BIFR for consideration. The BIFR appointed an Operating Agency for undertaking a techno-economic viability study for long term revival measures for IDPL. The reports received in this regard are being processed from all the relevant aspects after giving due considerations to the views/comments of the other concerned Departments and quarters. The matter is still under consideration.

Cancellation of DAP import Contracts

1405. SHRI RAMDAS AGARWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government's attention has been drawn to a news-item published in the Hindustan Times dated the 18th November, 1998 captioned "DAP import contracts cancelled by HLCL due to inconsistent policies" especially with regard to fixation of prices for DAP, complexed subsidy component and also its disbursal method followed by Central Government;

(b) whether Fertilizer Industry as well as fertilizers Association of India have blamed Government for cancellation of DAP import contracts worth 1.25 lakh tonnes, leading to shortage of Phosphates in the Kharif season; and

(c) if so, what is Government's reaction thereto and the remedial steps proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K.PATEL): (a) to (c) DAP is a decontrolled fertilizer. The demand and supply of DAP is regulated by the market forces depending upon the rates of concession and Maximum Ratail Price (MRP) fixed by the Government under the Concession Scheme. No shortages were experienced during the Kharif season. For Rabi '98-99, the Government decided first In August '98 to fix the rates of concessions alone and leave MRPs in respect of DAP and other decontrolled fertilizers to the market forces. But the policy was rolled back in September '98 in the interest of the farmers as the market determined MRPs of DAP were reported to settle at much higher levels than anticipated . The change of policy resulted in cancellation of nearly 1.30 lakh MTs of.

Losses of IPCL

1406. SHRI RAJNATH SINGH SURYA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that IPCL is recording losses during the current year;

(b) if so, the reasons therefor; and

(c) what steps are being taken to arrest the decline?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (Shri A.K. PATEL): (a) to (c) Yes, Sir. Indian Petrochemicals Corporation Limited (IPCL) incurred a net loss of Rs. 23.81 crore in the first half of the FISCAL year 1998-99. The loss was mainly on account of depressed prices of Polymers products. The company has already initiated several steps including increase in the volumes of production, strict control on costs and higher capacity utilisation.

उत्तर प्रदेश में उर्वरकों की आवश्यकता

1407. **श्री मनोहर कान्त ध्यानी** : क्या रसायन और उर्वरक मंत्री यह बताने की कृपा करेंगे कि:

(क) वर्ष 1997-98 की तुलना में वर्ष 1998-99 के दौरान उत्तर प्रदेश को कितनी मात्रा में उर्वरकों को आवश्यकता हैं;